



Testimony of Timothy Schneider, CEO of Earthlight Technologies, LLC

In Opposition to

S.B. 93 - AAC The Commercial Property Assessed Clean Energy Program

Senator Needleman, Representative Arconti, Senator Formica, Representative Ferraro, and members of the Joint Committee on Energy and Technology:

My name is Tim Schneider, and I am the Chief Executive Officer of Earthlight Technologies, a family-owned solar and energy company based in Ellington, Connecticut. Founded in 2008, Earthlight has become a statewide leader in the installation of residential and small commercial solar, storage and energy efficiency solutions.

Earthlight opposes the passage of S.B. 93 and urges the committee to reject its adoption. As written, the proposed language of the bill would expand what is already a problematic role that the Connecticut Green Bank has assumed by furthering its direct competition with the private sector in the provision of clean energy projects. This bill would continue an inappropriate and unwarranted departure from the Green Bank's traditional role as a facilitator of renewable energy financing in the commercial sector toward becoming a developer of these projects.

Current law allows the Green Bank to create a commercial sustainable energy program wherein it may, as a quasi-state agency, issue bonds and other obligations to finance energy improvement projects in commercial buildings, such as district heating and cooling, microgrids, energy efficiency, geothermal systems and solar systems. This bill would expand those areas to electric vehicle charging infrastructure and energy storage.

Yet what is most troubling is the expansion of the Green Bank's role in carrying out those projects. Section 1 of the proposed bill would redefine the term "financing" as "*funding or investment that includes, but is not limited to, energy services agreements, leases or power purchase agreements.*" These financial vehicles, known by their acronyms as ESAs and PPAs as well as leases, are the primary tools used by private sector developers to finance commercial

projects. The language as written would allow the Green Bank to use these same financial tools to develop their own projects in competition with the private sector, and do so in the emerging areas of EV infrastructure and battery storage.

This proposed expansion of the Green Bank's authority comes as private sector solar developers have become increasingly frustrated with the Green Bank's aggressive incursion into the municipal solar market. Time and again, small and mid-sized solar developers have been denied opportunities to close solar development projects with municipalities because the Green Bank, leveraging its trusted status as a quasi-state agency, has convinced local officials to abandon their own procurement process and utilize the Green Bank for consulting and development services.

This is not the role that the State intended for the Green Bank. When created, the Green Bank was an innovative approach to leveraging private sector financing to promote renewable energy initiatives at a time when such financing was not readily available. Those times have changed as more and more private sector financiers have entered the renewable energy market, making the Green Bank's function less essential. But more importantly, the essential function for the Green Bank was never to become a competitor with the private sector for renewable energy projects. Yet that has become the reality in the commercial solar market, and if this bill passes, it will be the reality for electric vehicle and energy storage roll-outs as well.

Rather than pass a bill that will only exacerbate an increasingly opaque and problematic reality in Connecticut, I would respectfully urge the Energy and Technology Committee to investigate the changing role the Green Bank has assumed in recent years, and look into the possibility of reining in the Green Bank's purview in the 2023 legislative session. In the meantime, I would urge you to reject S.B. 93 until the State of Connecticut has a clear idea of the proper role of the Green Bank in the future.